



PENSION BENEFIT GUARANTY CORPORATION

Submission of Information Collections for OMB Review; Comment Request; Special Financial Assistance Information

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of request for extension of OMB approval of information collections.

SUMMARY: The Pension Benefit Guaranty Corporation (PBGC) is requesting that the Office of Management and Budget (OMB) extend approval under the Paperwork Reduction Act of collections of information contained in PBGC's regulation on special financial assistance. The purpose of the information collections is to gather information necessary for PBGC to operate the special financial assistance program. This notice informs the public of PBGC's request and solicits public comment on the collections of information.

DATES: Comments must be submitted on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Written comments and recommendations for the proposed information collections should be sent within 30 days of publication of this notice to www.reginfo.gov/public/do/PRAMain. Find the information collections by selecting "Currently under 30-day Review - Open for Public Comments" or by using the search function. All comments received will be posted without change to PBGC's website, <http://www.pbgc.gov>, including any personal information provided. Do not submit comments that include any personally identifiable information or confidential business information.

Copies of the collections of information may be obtained by writing to Disclosure Division (disclosure@pbgc.gov), Office of the General Counsel, Pension Benefit Guaranty Corporation, 445 12th Street SW, Washington, DC 20024-2101, or calling 202-229-4040 during normal business hours. If you are deaf or hard of hearing, or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

FOR FURTHER INFORMATION CONTACT: Melissa Rifkin (*rifkin.melissa@pbgc.gov*), Attorney, Regulatory Affairs Division, Office of the General Counsel, Pension Benefit Guaranty Corporation, 445 12th Street SW, Washington, DC 20024-2101; 202–229–6563. If you are deaf or hard of hearing or have a speech disability, please dial 7-1-1 to access telecommunications relay services.

SUPPLEMENTARY INFORMATION: Section 4262 of the Employee Retirement Income Security Act of 1974 (ERISA) requires PBGC to provide special financial assistance (SFA) to certain financially troubled multiemployer plans upon application for assistance. Part 4262 of PBGC’s regulations, “Special Financial Assistance by PBGC,” provides guidance to multiemployer pension plan sponsors on eligibility for SFA, determining the amount of SFA, content of an application for SFA, the process of applying, PBGC’s review of SFA applications, restrictions and conditions, and reporting and notice requirements.

To apply for SFA, a plan sponsor must file an application with PBGC and include information about the plan, plan documentation, and actuarial information, as specified in §§ 4262.6 through 4262.9. Also, if the plan is changing certain assumptions for purposes of its requested amount of SFA, then the plan sponsor may use PBGC’s SFA assumptions guidance. PBGC needs the application information to review a plan’s eligibility for SFA and amount of requested SFA. In this renewal, PBGC is modifying the instructions of the application for SFA to require full census data of all terminated vested participants that were included in the SFA projections. PBGC will use this information to conduct an independent death audit. In addition, PBGC is adding a new “assumptions summaries” template, and a cover letter that a plan, in certain circumstances, may use to withdraw a previously filed application for SFA and seek expedited review of a revised application. These two additions are intended to make PBGC’s review process more efficient. PBGC estimates that over the next 3 years an annual average of 59 plan sponsors will file applications for SFA with an average annual hour burden of 649 hours and an average annual cost burden of \$1,888,000.

Under § 4262.10(g), a plan sponsor may, but is not required to, file a lock-in application as a plan's initial application. The lock-in application contains basic information about the plan and a statement of intent to lock-in base data. PBGC needs the information in the lock-in application to ensure that a plan sponsor intends to lock-in the plan's base data. In this renewal, PBGC is modifying language in the lock-in application's form and instructions to add information for filing a "revised lock-in application." A revised lock-in application may be used by a plan that was not eligible for SFA on the filing date of the plan's earlier lock-in application, based on the information available on that date. PBGC estimates that over the next 3 years an annual average of 23 plan sponsors will file lock-in applications, including revised lock-in applications, for SFA with an average annual hour burden of 23 hours and an average annual cost burden of \$18,400.

Under § 4262.16(i), a plan sponsor of a plan that has received SFA must file an Annual Statement of Compliance with the restrictions and conditions under section 4262 of ERISA and part 4262 once every year through 2051. PBGC needs the information in the Annual Statement of Compliance to ensure that a plan is compliant with the imposed restrictions and conditions. Based on its experience with these filings, PBGC is clarifying the types of documents to be attached to the Annual Statement of Compliance and adding a template that filers may use to submit the required account and investment information. PBGC estimates that over the next 3 years an annual average of 120 plan sponsors will file Annual Statements of Compliance with an average annual hour burden of 240 hours and an average annual cost burden of \$288,000.

Under § 4262.15(c), a plan sponsor of a plan with benefits that were suspended under sections 305(e)(9) or 4245(a) of ERISA must issue notices of reinstatement to participants and beneficiaries whose benefits were suspended and are being reinstated. Participants and beneficiaries need the notice of reinstatement to better understand the calculation and timing of their reinstated benefits and, if applicable, make-up payments. PBGC estimates that over the next 3 years an average of 5 plans per year will be required to send notices to participants with

suspended benefits. PBGC estimates that these notices will impose an average annual hour burden of 10 hours and average annual cost burden of \$10,000.

Finally, under § 4262.16(d), (f), (g) and (h) a plan sponsor must file a request for a determination from PBGC for approval for an exception under certain circumstances for SFA conditions under § 4262.16 relating to reductions in contributions, transfers or mergers, and withdrawal liability. PBGC needs the information required for such a request to determine whether to approve an exception from the specified condition of receiving SFA. PBGC estimates that over the next 3 years, PBGC will receive an average of 3.2 requests per year for determinations. PBGC estimates an average annual hour burden of 15.6 hours and average annual cost burden of \$44,000.

The estimated aggregate average annual hour burden for the next 3 years for the information collections in part 4262 is 937.6 hours for employer and fund office administrative, clerical, and supervisory time. The estimated aggregate average annual cost burden for the next 3 years for the information collections in part 4262 is \$2,248,400, for approximately 5,621 contract hours assuming an average hourly rate of \$400 for work done by outside actuaries and attorneys. The actual hour burden and cost burden per plan will vary depending on plan size and other factors.

The existing collections of information were approved under OMB control number 1212–0074 (expires July 31, 2023). On February 15, PBGC published in the Federal Register (at 88 FR 9914) a notice informing the public of its intent to request an extension of the collections of information. No comments were received. PBGC is requesting that OMB extend approval of the collections (with modifications) for 3 years. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Issued in Washington, DC, by:

Hilary Duke,

*Assistant General Counsel for Regulatory Affairs,
Pension Benefit Guaranty Corporation.*

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